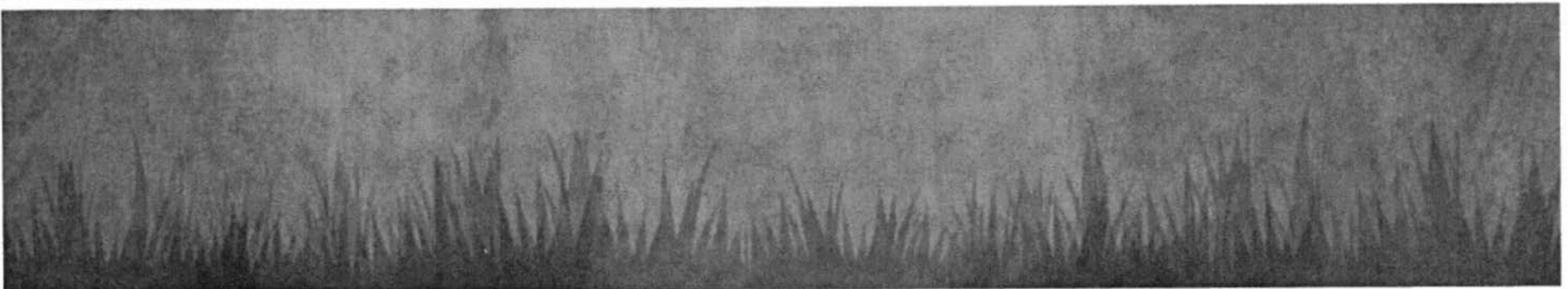
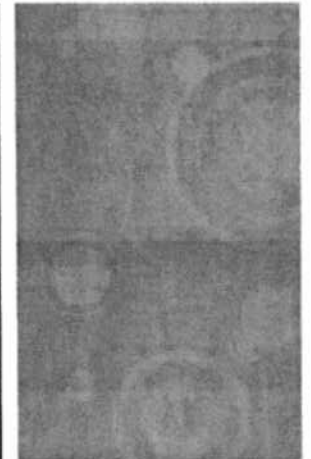


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# Integrated Resource Plan/Certificate of Need

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  - Have seen it both allow a utility to make large investments in capacity and cause a utility to opt for not building itself
  - Offers pre-approval of costs, but puts projects to a much more stringent test than other investments (**most** reasonable and prudent)



# Three step process

- Step One: Statewide determining of modeling parameters (e.g. range of natural gas prices, range of load growth assumptions)
- Step Two: Filing of integrated resource plans by utilities, which must meet most reasonable and prudent standard and meet all regulatory requirements
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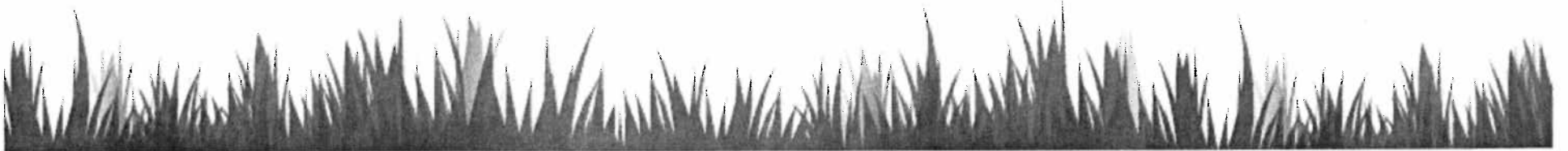
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- Goal of this step: produce a set of parameters to be modeled so that each utility's plan uses a common set of principles
  - Examples: range of electric demand, natural gas price ranges
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  - Statewide analysis of waste reduction potential, costs



# Step One: Outlining the Plans

- 3 month process
- Stakeholder participation will be key
- Guidelines given for how utilities could cooperate on a single plan
- Not a contested proceeding
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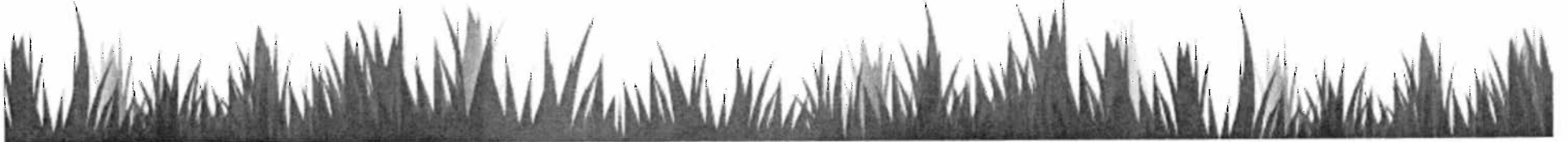
## Step 2: IRP/CON

- Led by PSC, with inputs from DEQ.
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## Step 2: IRP/CON

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- MPSC can approve, approve with conditions, or disapprove
- Can approve if:
- Is the “most reasonable and prudent” option; and
- Would be reasonably expected to achieve compliance with the identified regulations
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  - Cost effectiveness
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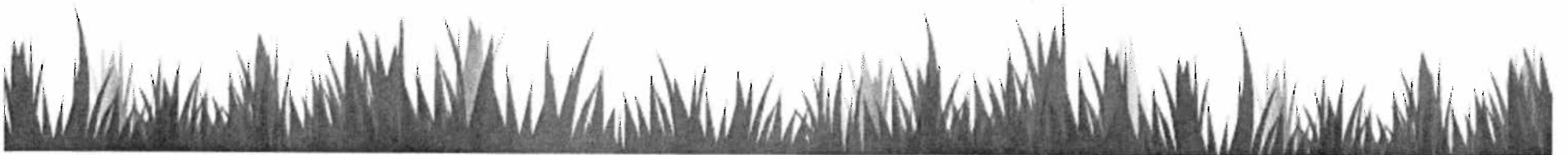
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# Why This Is An Improvement

- Adaptability Increased
  - Better comparisons. Higher standards. Off-ramps. Better information.
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  - Higher standards. More options compared, open process. Finds best way to meet multiple goals.
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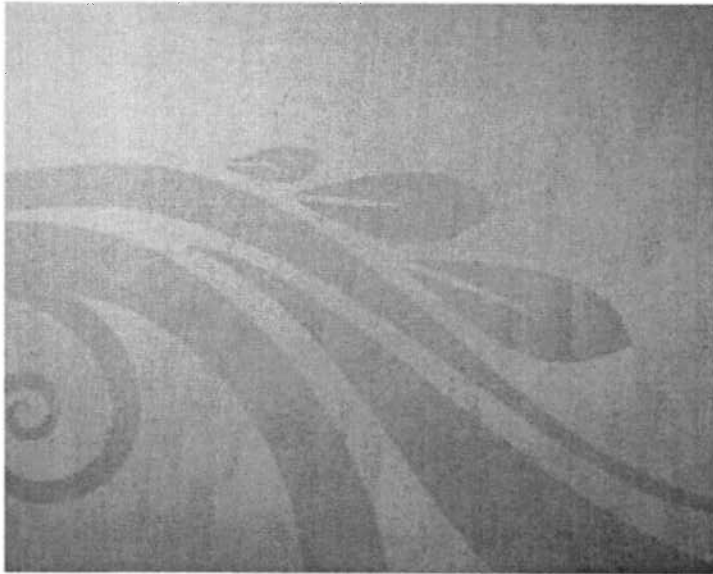
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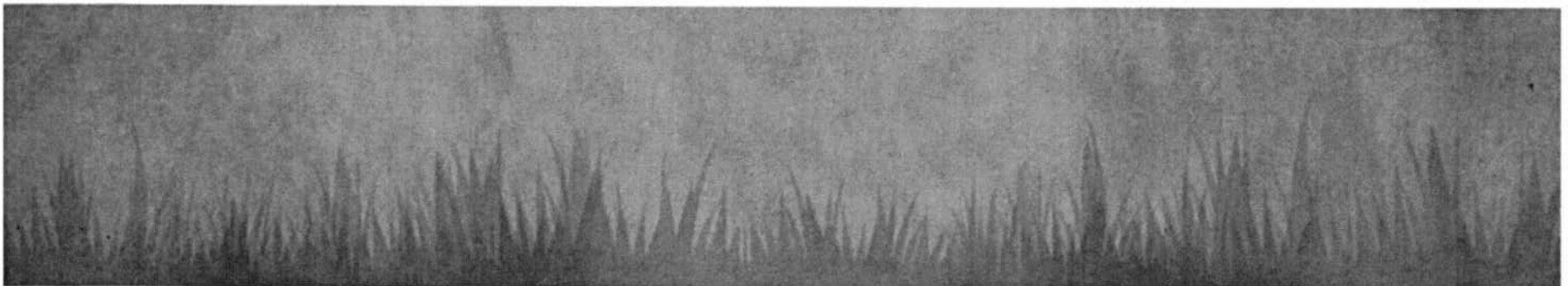
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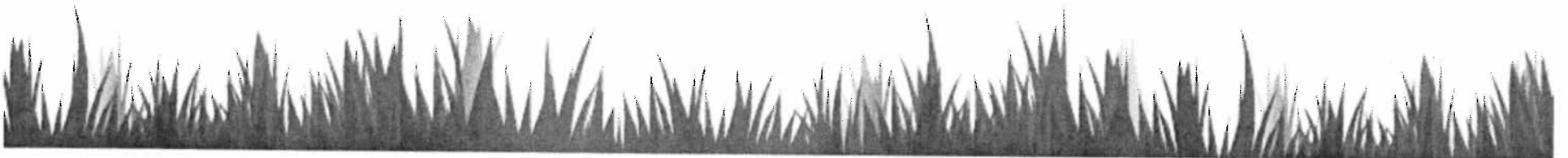
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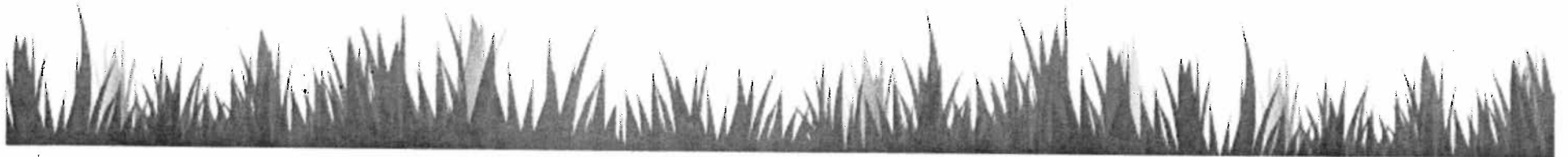
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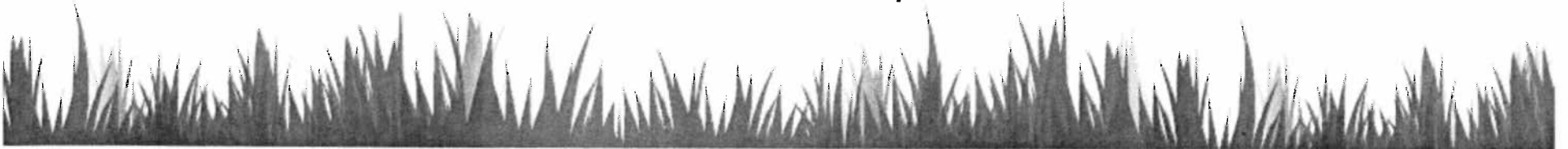
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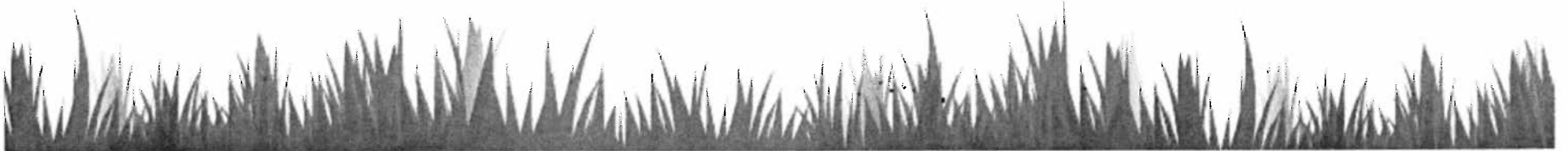
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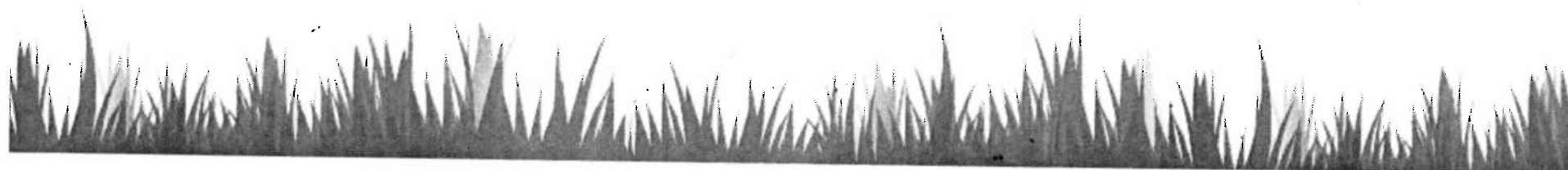
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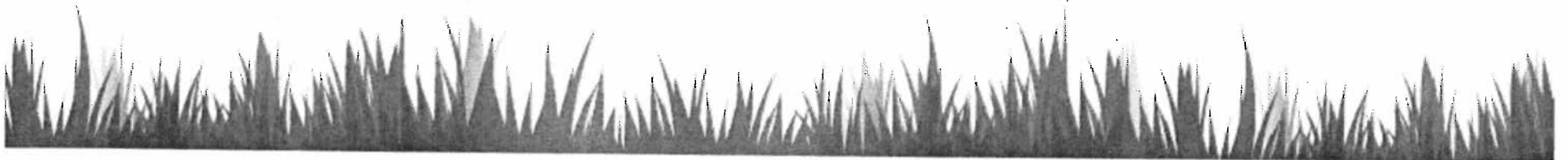
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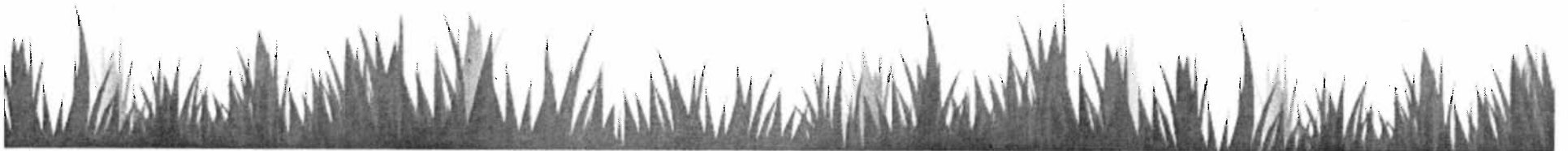
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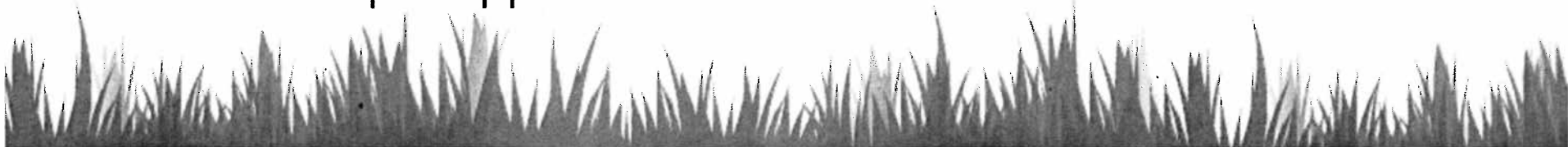
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